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2. British concern over Near Eastern defense—US Embassy London reports that the British Foreign Office is deeply concerned over the problem of providing defense for the Arab States and Israel and of assuaging the deep fear pervading Near Eastern countries that the West is disinterested in their fate and prepared to do little or nothing to save them. Believing that this anxiety provides a fertile field for Communist exploitation, the UK has sought to reassure these countries and feels that some progress is being made.

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EUROPE

3. POLAND. Protest against German remilitarization—According to US Embassy Warsaw, the Secretary General of the Polish Foreign Office has given oral messages separately to the Belgian, Dutch, and Danish Ministers protesting against German remilitarization. He said the international situation is causing the Polish Government great concern and that the German question is at the center of the trouble. The Polish Government considers the small states neighboring on Germany cannot remain passive and declares that Poland will have to take measures if the situation continues. The Polish Government hopes that before it becomes necessary for the Poles to take such measures, these small states will be willing and able

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to arrange a meeting of the Big Four and will make suggestions to the Big Four regarding a basis for such a meeting. The Belgian Minister thinks a reply is expected regarding suggestions which the Belgian Government might contemplate making to the Big Four, but the Dutch and Danish Ministers think the Polish message is largely a propaganda move to prepare the basis for a Communist assertion that every effort has been made by the East to come to terms with the West.

FAR EAST

4. INDOCHINA: Estimate of grand Soviet strategy -- US Legation Saigon transmits the personal estimate of the ranking General (Hwang Chieh) of the Chinese internees in Indochina concerning the prospects for Chinese Communist invasion of Indochina and over-all Soviet plans. General Hwang believes the principal governing factor is the place which an invasion of Indochina occupies in the over-all Soviet strategic concept. The General is convinced the Soviet Union believes time is its ally, not an enemy, and it will endeavor to avoid general war for at least 10 years; he offers the following as Soviet reasoning in this connection. Within a decade, the resources of the Far East and Central Europe can be exploited to the point where, in conjunction with its own resources, the Soviet Union will be in a position to challenge the economic supremacy of the US and Western Europe combined. Simultaneously with the upsurge of the economic capacity of the Soviet bloc, the Western potential will decline, as a result of: (a) the unbearable strains occasioned by Soviet-inspired alarms and excursions; and (b) the inevitability of collapse inherent in the capitalist structure. During this period, the Soviet Union will attempt

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to gain victory with "white" means, and, if this fails, will then launch "red" warfare with a better than even chance of final success. The Embassy comments that these views are significant primarily because they run counter to what the majority of Chinese Nationalists hope for: an early involvement of the West in a war with Communist China.

THE AMERICAS

5. ARGENTINA: Peron's views on "third position"--US Embassy Buenos Aires reports a conversation between President Peron and former US Ambassador Messersmith, during which Peron said that there was only one position which Argentina "could and would take" in the present East-West struggle, that of full collaboration with the US and the Western Powers. Peron agreed that Argentina had gained nothing from her attitude in World Wars I and II. Messersmith urged that Argentina take an unequivocable stand before too late and pointed out that the "third position" confused the Argentine people and decreased Argentina's prestige abroad. Peron concluded by saying that he could hardly find any reasons to differ with Messersmith's views.

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